

United States' National Security Strategy:

A Hamiltonian Solution for

the Iranian Conundrum

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Fundamentals of Strategic Logic/Course 5601

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Iran has posed a major conundrum for American national security strategists for a quarter century—and this challenge is growing, with grave consequences for America’s national security. The last five administrations have attempted to prevent Iran from developing nuclear weapons, to deter it from being the world’s most active state sponsor of terrorism and, to a lesser degree, to influence the nation to adopt principles of a liberal democracy—all with poor results.¹ The real conundrum in these efforts has been finding an effective way to achieve these ends when Iran’s government is a bifurcated system in which conservative clerics dominate one section and moderate reformers dominate the other part of their government.

Thesis

The administration’s strategy of coercion towards Iran is failing and should be replaced with an engagement policy largely focused on trade and economic integration. The nation’s coercion strategy uses denial to prevent Iran from obtaining nuclear weapons and compellence to stop its sponsorship of terrorism and WMD development. This policy is not effective because Iran is making progress towards producing a nuclear weapon and continues to support terrorism.² Furthermore, the reformers are steadily losing power to the conservatives.³ The United States needs a positive engagement policy that focuses on changing Iran’s “ends” and not a denial strategy that focuses on Iran’s “ways” and “means”. This paper analyzes the strategy towards Iran, starting with national interests.

National Interests

America’s primary national interest in Iran is national security, to include both its homeland security and its regional security in the Middle East. The secondary national interest with Iran is values projection because the United States—which “champions aspirations for human dignity”—wants improved human rights and expanded freedoms for Iranians.⁴ The

administration places economic prosperity as a low national interest when it comes to Iran because this interest is overshadowed by the President's focus on WMD and terrorism.

Threats, Opportunities and Constraints

The primary threat from Iran is its weapons of mass destruction program, particularly its nuclear weapons development. The country has eight nuclear research facilities and will likely have a nuclear weapon by end of this decade.⁵ This assessment was reinforced this summer when the International Atomic Energy Agency (IAEA) found evidence of highly enriched uranium at a nuclear facility south of Tehran, an indication of nuclear weapons development.⁶ This program has been ongoing since Russian firms started to help Iran with its nuclear energy program over 10 years ago.⁷ Simultaneously, Iran has acquired over 500 ballistic missiles, giving it nuclear weapons delivery capability that can reach Israel.⁸

The second threat is Iran's vast support to terrorists. Iran is the principal financial supporter of the Hizballah and Hamas terrorist groups.⁹ Additionally, numerous al Qaeda leaders fled to Iran after ENDURING FREEDOM, where they may be directing terrorist acts. It is reported that the military chief of al Qaeda, the chief Iraqi operative, Bin Laden's son and the chief al Qaeda spokesman are all under protection of the Iranian Security Services and may constitute a leadership hub for the entire al Qaeda organization.¹⁰ Iran's terrorist connection combined with its pursuit of WMD makes it a threat to America's homeland security. The National Security Strategy of the United States underscores this with its focus on WMD, failing states and global terrorism.¹¹

There are several opportunities that facilitate Bush's strategy towards Iran. First, Europe is significantly concerned about Iran's WMD programs—a concern held more strongly about Iran than with Iraq prior to IRAQI FREEDOM.¹² This consensus was strengthened when all 34

members of the IAEA adopted a strongly worded resolution this summer demanding that Iran allow stringent inspections of its nuclear facilities.¹³ A second opportunity is that the Iranian citizens want reform, which was evidenced when 78 percent of the public voted for reformist candidates during the last election for parliament.¹⁴ Moreover, over half of the 65 million Iranians were born after the 1979 revolution and are more receptive to a closer relationship with the United States.¹⁵

One opportunity the Bush administration has not exploited is the possibility of building mutually beneficial economic ties with the Iranians. Iran has the second largest gross domestic product (GDP) in the Middle East at 456 billion dollars and has the largest GDP annual growth at 5 percent—the largest growth rate in the Middle East.¹⁶ Iran also has a strong middle class, which is important for the development of a market economy and democracy.

However, there are several constraints confronting the Bush Administration. First, Iran is the world's fourth largest exporter of oil at 1.3 million barrels a day, with Japan, Italy and South Korea receiving the most.¹⁷ These states will be reluctant to jeopardize their oil source, and Americans will be concerned about higher oil prices in a volatile global market if Bush decides to escalate his coercive policies towards Iran. Secondly, the United States does not have diplomatic relations with Iran, resulting in Switzerland handling America's interests in Tehran, and Pakistan covering Iran's interests in Washington, D.C.¹⁸ Thus, diplomatic contact is difficult and intermittent.

Strategic Environment—International and Domestic Context

The international environment and the administration's views of it help shape a coercive strategy for Iran. First, Iran has little credibility in the international community due to its WMD program, association with terrorism and human rights violations.¹⁹ Secondly, Iran generates

consternation throughout the Middle East. For example, the Sunni-Islam nations worry that Iran is trying to spread Shiite-Islam throughout the region.²⁰ Also, Iran has pledged its enmity towards Israel. Thirdly, United States is currently occupying Iraq, a Shiite-majority nation like Iran. Thus, any American and Iranian diplomacy will have the occupation as a backdrop. Overall, there is a conducive environment in which an international consensus can be formed that seeks to modify Iran's WMD and terrorist policies.

It also is important to assess the administration's worldview when reviewing the international context. The President views the strategic environment as uni-polar, with the United States standing alone as the world's most powerful nation. Additionally, Bush is an idealist who wants to "encourage free and open societies" and to "stand firmly for the nonnegotiable demands of human dignity."²¹ Bush is also an exceptionalist in that he sees America as a special country with a special mission. With these three perspectives, it is not surprising that Bush's foreign policy tends to be hard-line and unilateral in nature.

Although Bush's idealism has some Wilsonian characteristics, he is primarily a Jacksonian. While a Jacksonian does not like to get involved in world affairs, once attacked, he will not stop waging war until a crushing victory is won.²² After 11 September, Bush declared all-out war on terrorism and changed his outlook from one of isolationism to one of preemption and prevention. This uncompromising worldview has significant implications when it comes to Iran—a nation that sponsors terrorism.

Another factor in the international context is Iran's bifurcated government. There are two ruling groups in Iran. One faction is the reformers who are generally associated with President Khatami and the Parliament, and the other faction is the conservative clerics who hold the most power.²³ The parliament now consists of 222 reformers, 55 conservatives and 3 independents,

involving numerous party affiliations.²⁴ The large reformist majority does not directly translate to power however. The Supreme Leader, Ayatollah Khamenei, has veto power over the president and parliament on all decisions.²⁵ Additionally, the conservatives make the leadership appointments, giving them control of over 70 percent of all senior level positions.²⁶ In sum, the conservatives hold the power in Iran and they control the WMD and terrorism programs.²⁷

The domestic context also shapes Bush's coercive strategy towards Iran. Americans generally have negative perceptions of Iran due to the 1979 hostage crisis and to the linkage of Iran with terrorism. Because the nation has a large Jacksonian electorate, these memories and the reluctance to improve relations with Iran are deeply entrenched.²⁸ Furthermore, the Republican Party—which supported hard-line policies towards Iran for the last 10 years—controls both the executive and legislative branches of government. Finally, 2004 is an election year, making new and less hard-line policy decisions towards Iran even more unlikely.

Power and Resources (Latent Power) and American Influence

The administration asserts that the “United States enjoys a position of unparalleled military strength and great economic and political influence” and “possesses unprecedented and unequalled strength and influence in the world.”²⁹ Both statements provide insight into an administration that sees America possessing extraordinary power that should be utilized in the war on terrorism. This assumption facilitated the decision to conduct IRAQI FREEDOM and also lends itself to a more coercive foreign policy against Iran.

This paper disagrees with the assumption that America’s latent power is virtually limitless, and that is one of the key reasons the author suggests current policies be changed. Although the United States has the world’s largest economy, the federal government is currently running a deficit of over 400 billion dollars a year.³⁰ Military intervention or costly coercive

policies against Iran would add to the deficit and would likely meet resistance from Congress.

Similarly, America has the most powerful military in the world, but it is also stretched due to the Iraqi occupation. The United States military has high credibility with Iran since it has been successful in Iraq and Afghanistan and has shown the capability to deploy overwhelming force anywhere in the world. But because of those successes, the military is highly committed and cannot easily add new requirements. Approximately 140,000 troops are deployed to Iraq and there are discussions in Congress that the Army is not large enough to continue this occupation for a long term. Consequently, the United States military currently has reduced capabilities to conduct ground operations against Iran.

Operation IRAQI FREEDOM also weakened America's diplomatic power. The nation still has strong diplomatic clout with a seat in the UN's Security Council and as a key leader of NATO. The United States also has strong diplomatic relations with Iran's neighbors such as Pakistan, Saudi Arabia and Turkey. America's influence with Europe, however, has been weakened due to disagreements over IRAQI FREEDOM. To build a consensus on Iran, the United States and Europe will have to overcome these disagreements with Bush's Iraqi policies.

The United States has the world's best information resources. Iranians want expanded rights and governmental reform, which makes public diplomacy a viable instrument to influence Iran's public opinion. America has the economic resources that can fund television and radio access into Iran. Additionally, America has excellent intelligence capabilities that monitor Iran, and it shares this intelligence with other nations to garner support for coercive policies.

A final note in this section concerns America's influence over Iran. The administration's policies suggest they believe the vast resources of the United States can influence Iran's policies on WMD and terrorism. This author contends the coercive policies have had little influence over

Iranian behavior and, in fact, have strengthened the position of the conservative elements over that of the reformers.³¹ For example, Iran's economy is growing at a fast rate, which has weakened the leverage of sanctions. Furthermore, Iran's perception of America's military threat is probably the primary reason why Tehran wants nuclear weapons.³² Therefore, America's policies over the last 10 years may have accelerated Iran's WMD programs by providing a justification for conservative factions to exploit.

Current National Objectives, Instruments of Power, and Strategies and Means

The administration's primary national objective is to eliminate Iran's nuclear weapons program. Their primary "ways" are denial, which is a form of containment, and compellence. As part of denial, the government uses diplomacy with Western Europe, Russia and China along with the Wassenaar Arrangement to implement export controls against Iran.³³ America also cooperates with international organizations such as the IAEA to prevent nuclear proliferation to Iran. As part of this overall effort, Bush has supported Europe's efforts to persuade Iran to reach an agreement with the IAEA. Using compellence, the United States—initiated by Clinton and a Republican Congress—instituted a complete economic embargo against Iran in 1995 and then passed the Iran and Libya Sanctions Act, which mandated sanctions "against any foreign firm that invests more than \$40 million in a given year in the development of energy resources in Iran."³⁴ Both compellence measures are seeking to stop Iran's WMD program—one by pressuring Iran and the other by forcing other nations to participate in sanctions. Additionally, America utilizes its information power to keep the world informed of Iran's programs, to gain support for its coercive strategies and to influence Iran's citizens through public diplomacy.

The administration's second national objective is to stop Iranian support to terrorists. In conjunction with its WMD strategies, the United States uses primarily a coercive strategy

involving trade sanctions and diplomatic isolation to try to compel the Iranians to modify their behavior. Additionally, America maintains significant military forces in the region that provide leverage for this coercion strategy.

The third national objective is to strengthen the reformers. This objective has been a lower priority than the first two objectives. President Clinton—who also followed a strong denial and compellence strategy for most of his tenure—did initiate a few unconditional engagement programs late in his administration to strengthen relations with the reformers in Iran, but these ended when Bush dramatically associated Iran with the “axis of evil”.³⁵

Risks and Costs of Current Strategies

The risks have been twofold. First, although America’s policies have slowed Iran’s WMD development, the country is still on track to have nuclear weapons by 2010—a development that will further destabilize the Middle East. This scenario could lead to hostilities, with the United States or Israel conducting preemptive military strikes against Iranian nuclear facilities. Secondly, the current strategy appears to be strengthening the conservatives in Iran. The conservatives gain strength when America is seen as an imminent threat. A coercive America undercuts the reformers by lending credibility to the conservatives’ arguments.³⁶

The cost of the current policy is that economic opportunities are being missed by America, while other nations are conducting business. Thus, unilateral sanctions by the United States have primarily hurt the United States. Conversely, an economic relationship with Iran would slowly expand the cultural interactions between the two nations, bolster the reformers in Iran, facilitate the pull towards liberal democracy and strengthen diplomatic ties between the two states. Eventually, a growing economic relationship between the two nations would cause an ebb in Iran’s hostile feelings towards the United States and would make the development of nuclear

weapons seem not only unnecessary, but risky to the nation's strategic interests and growing economic development. Thus, economic integration would indirectly support the United States' objectives of eliminating Iran's WMD and terrorism programs. In short, an economic partnership might increase America's influence in Iran

Recommended Changes to Current Policy

The United States should endorse a positive strategy of engagement with Iran to help eliminate its WMD and terrorism programs, support the reformists and movement towards liberal democracy, and build economic ties between the two countries. The administration should continue to work with the UN and EU to encourage Iran's cooperation with the IAEA. America should clarify that it understands Iran's desire for nuclear energy, but that effective inspections are required to ensure a nuclear weapons program does not exist. If Tehran agrees to IAEA inspections, as it appears it may, Bush should then support Iran's membership into the WTO, loans by the World Bank and termination of the Iran and Libya Sanctions Act. Furthermore, the administration should promise support for American economic investment in Iran and allow agricultural credits.³⁷ Bush should also initiate an unconditional engagement program, using NGOs, with the goal of enhancing academic, civic and economic ties between the two nations to build a foundation for diplomatic relations. A long-term roadmap for Iranian-American relations should include diplomatic relations, a strong economic relationship, and perhaps the initiation of military student exchanges at the war colleges. In short, America should remove diplomatic, cultural and economic barriers with Iran once an agreement is reached with the IAEA. To facilitate an agreement, America should subtly use economic inducements as a "carrot" so that Iran will accept inspections, knowing that immediate benefits will follow.

Several measures should be implemented now regardless of how Iran responds to the

IAEA. First, America should aid Iran with its vast refugee problem—the largest refugee population in the world—as part of an unconditional engagement program.³⁸ Additionally, the United States should use public diplomacy to convince Iranians that America does not want hostilities with them, but instead desires a peaceful and mutually beneficial relationship. Part of this strategy should include convincing the Iranians that WMD and terrorism weakens their security and is not in their national interests.

The risk of this strategy is that Iran may clandestinely continue its WMD and terrorism policies despite an engagement strategy. Furthermore, relations between the two countries may not show immediate improvement, which could make the policy look like a failure and cause policy makers to revert to coercive policies without giving engagement adequate time to work. Thus, patience will be required. But if Iran continues the development of nuclear weapons, America could still resort to preventive strikes on its nuclear facilities or other coercive policies, which helps offset the risk of engagement. Should a return to coercion be necessary, the United States would have gained increased international legitimacy by initially trying to solve the “Iranian conundrum” in a positive and multilateral manner, and the military and economic power of America would have additional time to reconstitute after IRAQI FREEDOM.

The United States needs to gain influence over Iran, and it can best be acquired by building stronger economic and cultural ties with Iranians. Current coercive policies appear to have little influence over Iran and are not meeting national objectives. In contrast, a mutually beneficial relationship with Iran will make the United States appear less hostile and will undermine the conservatives and their threatening policies. In other words, America needs a more Hamiltonian and less Jacksonian approach in its strategy towards Iran. An improved economic relationship with Iran will eventually enhance the security of the United States.

Notes

¹ "Iran's Armed Forces Structure," Periscope, 1 May 2003, www.periscope.ucg.com.

² Ray Takeyh, "Iran's Nuclear Calculations," World Policy Journal, Summer 2003, 21.

³ Puneet Talwar, "Iran in the Balance," Foreign Affairs, July-August 2001, 60.

⁴ The National Security Strategy of the United States of America, 3.

⁵ "Iran's Armed Forces Structure," Periscope.

⁶ Daryl G. Kimball, "Turning Iran Away From Nuclear Weapons," Arms Control Today,

July and August 2003, A.212.

⁷ Strobe Talbott, The Russia Hand (New York: Random House, 2002), 158.

⁸ Janes, 12 Aug 2003, www.janes.com.

⁹ Kenneth Katzman, "Iran: Current Developments and U.S. Policy," Report for Congress, 29 January 2003, 4.

¹⁰ Peter Finn and Susan Schmidt, "Al Qaeda is Trying to Open Iraq Front; Plot Said to be Hatched in Iran Last February," Washington Post, 7 Sep 2003, sec. A.01.

¹¹ The National Security Strategy of the United States, September 2002, 13-14.

¹² Robert Kimmitt, "Iran: Time for Europe to Lead," Washington Post, 4 September 2003, sec. A.21.

¹³ "Its All Gone Dreadfully Wrong; Iran's Nuclear Diplomacy," Economist, 20 September 2003, 73.

¹⁴ Hossan Seifzadeh, "The Landscape of Factional Politics and its Future in Iran," The Middle East Journal, Winter 2003, 57.

¹⁵ Talwar, 64.

¹⁶ The Economist Intelligence Unit, 25 September 2003, db.eiu.com/reports.

¹⁷ International Petroleum Monthly, August 2003, www.eia.doe.gov/lpm.

¹⁸ “Iran—Consular Information Sheet,” Periscope, 26 February 2002,
www.periscope.usg.com.

¹⁹ Talwar, 62-63.

²⁰ Dr. Melvin Goodman, seminar discussion at National War College, 29 September
2003.

²¹ The National Security Strategy of the United States of America, 1-3.

²² Walter Russell Mead, “The Jacksonian Tradition,” The National Interest, Winter
1999/2000, 1-3.

²³ Talwar, 58.

²⁴ “The World Fact Book,” Periscope.

²⁵ Talwar 69.

²⁶ Seifzadeh, 57.

²⁷ Takeyh, 25.

²⁸ Mead, 1.

²⁹ National Security Strategy of the United States, preface letter and 1.

³⁰ David Broder, “Fiscal Doomsday in the Offing,” Washington Post, 5 October 2003,
sec. B7.

³¹ Takeyh, 25.

³² Takeyh, 22-23.

³³ Charles Shotwell, “Export Controls: A Clash of Imperatives,” in: Richard L. Kugler
and Ellen L. Frost (eds.), The Global Centrury. Globalization and National Security, Vol 1., 337.

³⁴ Zbigniew Brzezinski, Brent Snowcroft, and Richard Murphy, “Differentiated Containment,” Foreign Affairs, May-June 1997, 21.

³⁵ Talwar, 62.

³⁶ Takeyh, 25.

³⁷ Richard Haass and Meghan O’Sullivan, “Engaging Problem Countries,” Brookings Policy Brief, June 2000, 4.

³⁸ Talwar, 66.

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